

REGULAR MEETING OF THE CITY COUNCIL:

Austin, Texas, May 20, 1920.

The Council was called to order by the Mayor. Roll call showed the following members present: Mayor Yett, Councilmen Alford, Graham, Haynes and Ward, 5; absent, none.

The Minutes of the last meeting were read and adopted by the following vote: Ayes, Mayor Yett, Councilmen Alford, Graham, Haynes and Ward, 5; nays, none.

Councilman Graham introduced the following ordinance: "An ordinance regulating and fixing fares which may be charged by persons, firms and corporations operating street railways for the carrying of passengers in the City of Austin, and repealing all ordinances in conflict herewith."

The ordinance was read the first time and Councilman Ward moved a suspension of the rule and the placing of the ordinance on its second reading. Motion prevailed by the following vote: Ayes, Mayor Yett, Councilmen Alford, Graham, Haynes and Ward, 5; nays, none.

The ordinance was read the second time and Councilman Ward moved a further suspension of the rule and the placing of the ordinance on the third reading. Motion carried by the following vote: Ayes, Mayor Yett, Councilmen Alford, Graham, Haynes and Ward, 5; nays, none.

When the ordinance had been read the third time, the Mayor moved its final passage. Motion prevailed by the following vote: Ayes, Mayor Yett, Councilmen Alford, Graham, and Ward, 4; nays, Councilman Haynes.

Councilman Haynes submitted the following as his reasons for voting against the ordinance:

"After listening carefully to the arguments of experts on the subject, I have been unable to reconcile the sworn statements of the Street Car Company as to the valuations of their property, one of which for \$1,660,000.00 for rate-making, and the other for \$340,140.00 when rendering the same property for taxation.

And in view of the construction heretofore placed by our City Attorney on Section 15 of the City Charter, which provides that all franchises - or amendments to existing franchises - must be submitted to a vote of the people, which opinion I believe to be correct, if our charter means anything, I do not feel that I would be justified in voting for the ordinance, notwithstanding the reversed opinion of our City Attorney on the question.

(Sgd) H. L. Haynes."

Mayor Yett, Councilmen Alford, Graham, and Ward submitted the following as their reasons for voting for the ordinance:

"In regard to the passage of the ordinance granting an increased rate of fare to the Austin Street Railway Company, we vote aye for the following reasons:

1st: The sworn statement of the Company shows for the past several years that it has been operated at a loss.

2nd: The Courts of the country in the Houston and San Antonio cases have decided that when such is the case that such corporations are entitled to a rate which would bring them in a fair net return on their

investment.

3rd: In the face of their decisions, we consider it unwise as members of Council to force the City into expensive litigation when we know the result of this litigation beforehand.

4th: In granting this increase in rate it will enable this Company to put on new cars and improve its service in every way, which will result eventually in great benefit to our citizens generally.

5th: The Courts allow many matters to be considered for rate making purposes that cannot be the subjects of taxation by the City. In considering any alleged discrepancy that may exist between the assessed value of the Street Car Company's property and the value of the plant as shown by its sworn statement, we do not think this is material at the present time. The board of equalization will take care of that matter. The sworn statement shows that the street car is paying out more money for expenses of operation and maintenance and interest on its debt than it is receiving in revenue, and this cannot continue very much longer without the Street Car Company's going into bankruptcy.

6th: By purchasing tickets, adult patrons of the street cars will pay only one and one quarter cent more and students and children between five and twelve years will pay only one-half cent more for their fares, and we consider this a conservative raise, in view of the greatly increased cost of materials, labor and fuel, the three essentials that make a street car system possible.

(Sgd) W. D. Yett, Mayor,
 " C. F. Alford,
 " J. W. Graham,
 " Jno. S. Ward,
 Councilmen."

The application of G. G. Morgan to operate a service car was granted by the following vote: Ayes, Mayor Yett, Councilmen Alford, Graham, Haynes and Ward, 5; nays, none.

Councilman Ward moved that the ordinance requiring screens to be placed in stores, etc., be amended by adding the words, "or fans" thereto, and that the City Attorney be instructed to draw an ordinance to this effect. Motion carried by the following vote: Ayes, Mayor Yett, Councilmen Alford, Graham, Haynes and Ward, 5; nays, none.

The Council then recessed.

SPECIAL MEETING OF THE CITY COUNCIL:

Austin, Texas, May 21, 1920.

The Council was called to order by the Mayor. Roll call showed the following members present: Mayor Yett, Councilmen Alford, Graham, Haynes and Ward, 5; absent, none.